

shall have the right to review the goods sub sequential when it arrives to the customs area to ascertain the correctness of the evaluation.

(d) After completion of the procedures provided for under paragraph (c), the goods shall be carried under the supervision of the official concerned in the Free Zone and the clearance company and signed by both, and the details of the goods shall be recorded at the margin of the customs statement, and thereafter the goods shall be sent to the customs area for the completion of the customs procedures.

(e) The customs officer concerned may, when he is not satisfied with the correctness of the details made by the free zone officer and the clearance company, search the cargo actually.

#### • Clearance Companies and Navigation

22 (1) The manifest, list of cargo or deposit requests of the goods in the free zone for the accountant of others shall be made only to the company or persons to whom the interpretation of depositor applies, and include those delegated by a legal authenticated power of attorney.

(2) The director may issue approval to the clearance licensed companies by the customs, to forward the applications of entry and exit of goods and the receipt thereof from the instead of its owners and after forwarding the official power of attorney from the owner of the goods on the prescribed form and disclosure of the specified conditions, and in this case they shall be responsible towards the Free Zone with regard to all matters relating to the goods including the storage and service fees severally and jointly with the owner of the goods.

(3) The director, on the recommendation of the administration manager determines the number of the clearance companies to be allowed to work in inside the free zone concerned, in the light of the needs of work and in cooperation with the customs authorities.

(4) The navigation company and the company shall forward a bank deposit to the company as specified by the director as a precondition to perform its work inside the free zone, to be as a guarantee against any contravention or excess which may occur there from its employees and also as a guarantee for the collection of storage charges and services to be carried on the deposited goods in the name of the owner thereof.

#### Chapter 4

#### Regulation of Rent in the Free Zone

##### • Rent of Spaces

• 23 (1) The director, whenever he thinks necessary, may rent spaces in the Free Zone to any depositor who wishes to warehouse goods or construct installation thereon for storage.

(2) All installation works shall be carried on the rented space subject to the approved maps by the free zone and according to the technical specifications and general sound requirements made by the council.

##### • Period of Contract in the Free Zone

24 (1) rent in the Free Zone shall be made by written contracts for a period that does not exceed:

- (a) Twenty years for industrial projects
  - (b) Fifteen years for open areas to be rented for the purpose of construction of buildings thereon for commercial storage
  - (c) One year for storage in the spaces premises and general installations owned by the company inside the free zone.
- (2) The rent contracts provided for in sub section 910 may be renewed on payment of the fees in addition to agreement upon the required conditions and guarantees.

- **Collection of fees**

25 (1) rent for the land and utilities of the free Zone shall be collected on the basis of every meter of land from the renter thereof according to amounts specified in the schedule hereof.

(2) Notwithstanding the provisions of sub section (1) the board shall determine the rent of the other installations which are constructed or owned by the company.

(3) The rent shall be paid in advance as agreed upon, and the contract shall determine the value and kind of guarantee to be forwarded, provided that such guarantee shall continue valid throughout the term of the contract.

**Chapter 5**  
**The fees**  
**Assignment Fees**

- 26 (1) Fees for assignment of the rented place to others shall be collected according to schedule (5) attached to these regulations.

(2) Fees for assignment or transfer of good shall be collected according to schedule (5) hereof, at the time of passing the customs declaration for the collection of the goods on the account of others as mentioned in the deposed documents in the Free Zone.

- **General Services Fees**

27 (1) In addition to any fees to be charged under regulations there shall be charged general services fees as specified on schedule (8) hereto.

- **Payment of Fees**

28 (1) the depositor shall pay warehouse fees an other fees once every three months, and in case of none payment in the specified period, the area manager shall notify the depositor be registered mail or by any other means to pay the fees, provided that after the lapse of one month from the date of notice the Director shall have the right to:

(a) Sell part of the goods corresponding to such fees, and if the goods cannot partially sold then it shall be sold under the supervision of a committee to be formed as

(b) follows:

- i. Two representatives of the free zone,
  - ii. A representative for the customs,
  - iii. A representative for the depositor,
  - iv. a representative for any competent authority.
- (c) The committee provided for under paragraph (a) shall prepare a separate list for the goods and take from the cost of sale all the fees and expenses resulting from the sales promotion.
- (d) If the goods are not eligible for sale because of its expiry or contravene the provisions of laws and regulations, such goods shall be destroyed on the recommendation of the said committee and shall request the depositor for getting all the fees and every other expense.
- (e) Payment of the fees inside the Free Zone shall be made in hard currency.

#### **Amendment of the Schedules**

29 (1) the board, on the recommendation of the director, May by a decision amend the schedules attached to these regulations.

### **Chapter 6 Regulation of employment in the Free Zone Exemption From Application of the Employment Act**

- 30 (1) the Free Zone shall be exempted from the application of the Sudan employment Acts, provided that the provisions of these regulations shall be applied.
- Employment in the Free Zone
- 31 (1) Employment of workers in the Free Zone shall take place under employment contracts between employers and employees provided that there shall not be an employment of citizens of any country that come under the resolution of boycott made by the state.
- (2) In addition to any other terms, the employment contract shall include the following matters:
  - " The amount of the salary and the manner of payment thereof, provided that the salary shall be paid in hard currency,
  - " Number of working hours and additional work,
  - " Leaves and its different types
  - " After work benefits and social insurance
  - " The manner of terminating the contract
- (3) A copy of the employment contract shall be deposited with administration of the Free Zone.
- 32 (1) the employees shall be entered in the medical care and treatment in the hospitals.
- (2) In case of injury of any of the employees during the performance of his duties he shall be compensated by the employee thereof.

- **Conflicts and Penalties Rules**

33 All companies working in the Free Zone shall make conflict and penalties rules that guarantee the rights of the workers provided that such rules shall be raised to the director for approval.

- **Working Hours**

34 the business hours in the Free Zone shall be within the period at sunrise and ends at sun set, and the area manager may permit work during the official holidays or any other time, provided that it is not permissible to discharge the goods or transfer thereof except on the approval of the area manager and the customs authority.

## **Chapter 7**

### **General provisions**

#### **Free Monetary exchange**

35 All financial operations and all transactions between Free Zones and with others outside Sudan, shall not be subject to the provision and procedures of exchange control applied in the Sudan.

#### **Application of laws**

36 The laws in force in the Sudan shall be applied in the free Zone, to the extent that such laws do not prejudice the provisions of these regulations.

#### **Training of Employees**

37 All companies working in the Free Zone shall as far as possible offer to their employees the opportunity for training through making thereto the appropriate programs inside or outside the Sudan to raise their professional efficiency.

- **Formation of Committees**

38 (1) The director, may form, in consultation with the competent authority and the investors, temporary or permanent consultative committees from the representatives of the bodies concerned and from specialized persons in the fields thereof.



(2) The committees provided for in the subsection (1) shall have the function of giving opinion and consultation in the matters referred thereto.

#### **Settlement of Disputes**

39 (1) unless the conflicting parties agree to the contrary, the disputes in the free Zone arising between projects or any of them and the free zone administration or any other party shall be referred to an arbitration committee or the competent court for decision thereon.

2(a) if the parties agree on the settlement of the dispute by arbitration the committee shall decide thereon to be formed from a chairman and two members representing the two conflicting parties to be selected there from.

(b) The chairman of the arbitration committee shall be selected by agreement of the two members thereof, within a maximum period of thirty days of the date of selection thereof by the two conflicting parties, if the two members did not agree in the said period of specifying a local authority to select the chairman of the committee, the chairman shall be appointed by the director and the chamber of commerce on the request of the to conflicting parties.

(d) The arbitration committee shall look into the conflict referred thereto and decide thereon in accordance with the arbitration rules provided for in the civil procedures Act 1983, unless the committee approves another applicable rules.

#### **The competent court**

40 (1) There shall be established in the free zone a first grade specialized court, in accordance with laws regulating the same.

(2) The specialized Court shall decide on conflicts arising inside the Free Zone, including conflicts arising from the activities of the projects and labor conflicts relating to the same.

(3) The decrees of the courts shall be appealed there from by any of the conflicting parties in accordance with appeal procedures prescribed by law.

#### **Contraventions and penalties**

41 (1) It is a crime of smuggling to discharge goods outside the free zone without payment of the custom fees or any other fees taxes or fees levied by the laws in force, or without completion of legal procedures applied on entry and discharge of goods.

- (2) There shall be applied on the crime of smuggling and other crimes the penalties provided for in the laws of the republic of the Sudan.

- (3) Whoever enters goods in the free Zone or deals therein prohibited goods shall be subject to a financial penalty equivalent to fifty per cent of the volume of the goods at the port of destination together with confiscation of such goods.

- (4) Whoever intentionally carry any activity in contravention of the terms of the license given to him, and whoever assigns his license totally or in part to another person without the previous written consent shall be subject to a financial penalty

equivalent to twenty five percent of the volume of contravention, together with the final withdrawal of the license, or for period not less than one year.

- (5) Whoever performs any private profession or trade inside the free Zone without previous license or payment of the prescribed fees of license, shall be subject to a financial penalty equivalent to twenty five per cent of the volume of the contravention, and may be prohibited from obtaining license finally or temporarily

#### **Computation of Contravention**

42 Subject to the provisions of other laws, the director or whomever he delegates in writing may compute any of the contraventions offenders to these regulations according to the decision of the board.

- **Disposal of the Confiscated goods**

43 The director or whoever he delegates, Any sell by auction the goods to which a judicial decree has been made or the detached goods for any reason according to these regulations and the values thereof shall revert to the company.

- **Entry Permits to the free Zone**

44 (1) the area manager shall issue the free zone entry permits to the employees, auditors, dealers, and investors subject to the prescribed form, and no persons other than those holding the permits to enter the free Zone.

(2) Notwithstanding the provisions of subsection (1) the area manager may prohibit any person to enter the free zone for a period not exceeding one month unless the contravention requires a longer period, and the matter shall be raised to the director to determine the period he thinks appropriate.

#### **Combating of Smuggling**

45 the administration of the free Zone in coordination of the customs forces, shall be responsible for combating smuggling from and to the free Zone.

#### **Building and Profession License**

46 The administration of the Free Zone shall be responsible for the issue of the building and profession licenses and the approval certificates covering the locations in the free zone according to the laws regulating the same after payment of the prescribed fees.

- **Certificate of origin**

47 The administration of the free zone shall be responsible for issuing the certificate of origin for the products of factories inside the free zone as follows;  
(a) certificate of origin shall be issued for products manufactured in or transferred from the free zone which the value added percentage thereof is less than 40%.

(b) If the value added percentage thereof is more than 40% a national certificate of origin shall be issued inside the free zone.

#### **Delegation of powers**

48 (1) the council may delegate all or part of its powers conferred upon it under these regulations to the director.

(2) The director may delegate part of the powers conferred on him under these regulations to be manager.

(3) The director may delegate all or part of the powers conferred on him under these regulations to the area manager.

#### **Making the Bases and Rules**

49 the director may, from time to time issue decisions and circulars for making the bases and detailed rules for the implementation of the provisions of these regulations

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